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RUEHXR/RWANDA COLLECTIVE
RUCPDOG/USDOC WASHDC 3165
RUEATRS/DEPT OF TREASURY WASHDC

UNCLAS NAIROBI 000082

DEPT PASS TO DEPT OF LABOR FOR DOL/ILAB TINA MCCARTER

TREASURY FOR REBECCA KLEIN

COMMERCE FOR BECKY ERKUL

STATE PASS USTR PATRICK COLEMAN

STATE PASS USAID/EA
SENSITIVE

SIPDIS

E.O. 12958: N/A

TAGS: [ELAB](#) [ECON](#) [ETRD](#) [PHUM](#) [SOCI](#) [KE](#)

SUBJECT: KENYAN TEACHERS PREPARE TO STRIKE

REF: 08 NAIROBI 2878

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¶1. (U) After more than six months of salary negotiations with the Ministry of Education, the Kenya National Union of Teachers (KNUT) has said its 148,000 members will strike January 19. To call off the strike, KNUT demands a 35% average pay raise effective January 1, 2009. The government has offered KNUT an average raise of 26% phased-in over three years, which would harmonize the teachers' salaries with those of civil servants in similar job classes.

¶2. (U) KNUT contends, however, that the 26% raise is insufficient to compensate members for lost allowances (e.g., transportation) under harmonization with the civil service pay system. KNUT also argues that the three year phase-in period effectively locks the union out of salary negotiations which should be occurring every two years. To KNUT's open ire, the Education Ministry and the newly-formed post-primary school teachers union, Kenya Union of Post-Primary Education Teachers (KUPPET; 97,000 members), have reportedly reached agreement on a pay raise which harmonizes members' salaries with those of civil servants over three years; members' raises will range between 42 and 177%.

¶3. (SBU) The Ministry of Education has recently referred the failed negotiations with KNUT to the Ministry of Labor for arbitration. A labor contact told us January 12 that Labor Minister John Munyes should announce the formation of an arbitration committee sometime this week; once the committee is formed KNUT cannot legally strike. If the committee fails to reach agreement, the matter would go before the Industrial Court, which could take several years to rule on the matter.

¶4. (SBU) Comment: Despite the likely formation of the arbitration committee, which would enjoin KNUT from striking, the union may still choose to proceed with mass action in the near term. This type of unrest comes at a time when most Kenyans are struggling with acute food inflation (reftel) and uncertainty regarding the country's political and economic future. The Ministry of Education's reluctance to meet KNUT's demands is likely a reflection of concerns about the country's growing budget deficit (heading towards 6% of GDP against a 4% IMF target); the Kenyan leadership may also be wary of encouraging future ultimatums from workers in other sectors. If KNUT does strike, we expect the government to move swiftly to replace the teachers by dipping into the deep and

wide pool of unemployed educated Kenyans. Perhaps the ready availability of replacement teachers will be a sufficient deterrent to striking. End comment.

RANNEBERGER